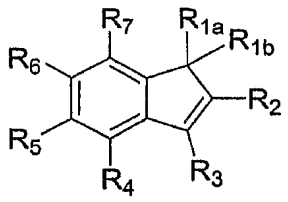
**WHAT IS CLAIMED IS:**

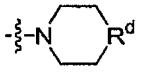
1. An indene derivative of formula (I) or a pharmaceutically acceptable salt thereof:



(I)

wherein,

$R_{1a}$ is OH or H;

$R_{1b}$ is $C_{1-6}$ alkyl, $C_{3-6}$ cycloalkyl, benzyl or phenyl, the phenyl being optionally substituted with one or more substituents selected from the group consisting of halogen, CN, $NH_2$, $NO_2$ and $OR^a$, when $R_{1a}$ is OH; when $R_{1a}$ is H, $R_{1b}$ is $OR^a$, $NR^bR^c$, $NHCOR^a$ or  ;

$R_2$ is CN, $CO_2R^a$ or $CONR^eR^f$;

$R_3$ is phenyl optionally substituted with one or more substituents selected from the group consisting of halogen, CN, $NH_2$, $NO_2$, $OR^a$ and $C_{1-6}$ alkyl; and

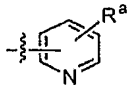
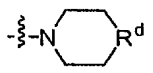
$R^4$, $R^5$, $R^6$ and $R^7$ are each independently H, $O(CH_2)_mR^g$ or $CH_2R^h$;

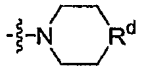
in which

$R^a$ is H, $C_{1-6}$ alkyl or $C_{3-6}$ cycloalkyl, the $C_{1-6}$ alkyl and $C_{3-6}$ cycloalkyl being optionally substituted with one or more halogens;

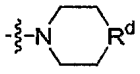
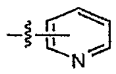
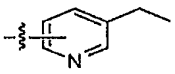
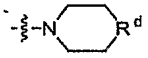
$R^b$, $R^c$, $R^e$ and $R^f$ are each independently H, $C_{1-6}$ alkyl, $C_{3-6}$ cycloalkyl or benzyl;

$R^d$ is O, S or $NR^a$;

$R^g$ is H,  ,  or phenyl, the phenyl being optionally substituted with one or more substituents selected from the group consisting of halogen, CN, $NH_2$ and $NO_2$;

$R_h$ is  ; and

m is an integer in the range of 1 to 3.

2. The compound of claim 1, wherein $R_{1b}$ is $C_{1-6}$ alkyl, $C_{3-6}$ cycloalkyl, benzyl or phenyl, the phenyl being optionally substituted with one or more methoxy groups, when $R_{1a}$ is OH; when $R_{1a}$ is H, $R_{1b}$ is $OR^a$, $NR^bR^c$, $NHCOR^a$ or  ; $R_3$ is phenyl being optionally substituted with one or more halogens or $C_{1-4}$ alkyls; and $R_4$ and $R_7$ is H, in which $R^a$ is H or $C_{1-6}$ alkyl; $R^d$ is O or S; $R^g$ is H, phenyl,  ,  or  .

3. The compound of claim 1, wherein $R_3$ is phenyl, $R_5$ is H, and $R_6$ is $O(CH_2)_mR^g$ or $CH_2R^h$.

4. The compound of claim 1, which is selected from the group consisting of:

1-hydroxy-6-methoxy-1,3-diphenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-6-methoxy-1-(3-methoxy-phenyl)-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-1-isopropyl-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-6-methoxy-1-methyl-3-phenyl-1H-indene-2-carboxylic acid

ethyl ester,

1-benzyl-1-hydroxy-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-cyclohexyl-1-hydroxy-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-1,3-diphenyl-6-(3-phenyl-propoxy)-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-6-(2-morpholine-4-yl-ethoxy)-1,3-diphenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-6-morpholine-4-yl-methyl-1,3-diphenyl-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-1,3-diphenyl-6-(2-pyridine-2-yl-ethoxy)-1H-indene-2-carboxylic acid ethyl ester,

1-hydroxy-1,3-diphenyl-6-(3-phenyl-propoxy)-1H-indene-2-Carbonitrile,

1-hydroxy-1,3-diphenyl-6-(3-phenyl-propoxy)-1H-indene-2-carboxylic acid methyl ester,

1-hydroxy-6-methoxy-1,3-diphenyl-1H-indene-2-carboxylic acid,

1-hydroxy-6-methoxy-1-methyl-3-phenyl-1H-indene-2-carboxylic acid,

1-benzyl-1-hydroxy-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid,

1-hydroxy-1,3-diphenyl-6-(3-phenyl-propoxy)-1H-indene-carboxylic acid,

1-cyclohexyl-1-hydroxy-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid,

1,6-dimethoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-ethoxy-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-amino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

1-amino-3-phenyl-6-(3-phenyl-propoxy)-1H-indene-2-carboxylic acid ethyl ester,

1-amino-6-(2-morpholin-4-yl-ethoxy)-3-phenyl-1H-indene-2-carboxylic acid cyclohexyl amide,

1-amino-3-phenyl-6-(3-phenyl-propoxy)-1H-indene-2-carbonitrile,

1-acetylamino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

6-methoxy-3-phenyl-1-propionylamino-1H-indene-2-carboxylic acid ethyl ester,

1-acetylamino-3-phenyl-6-(3-phenyl-propoxy)-1H-indene-2-carboxylic acid ethyl ester,

1-acetylamino-6-(2-morpholin-4-yl-ethoxy)-3-phenyl-1H-indene-2-carboxylic acid cyclohexyl amide,

1-diethylamino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

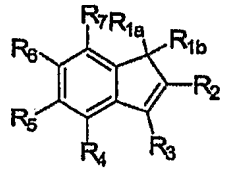
1-ethylamino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

6-methoxy-1-morpholin-4-yl-3-phenyl-1H-indene-2-carboxylic acid ethyl ester,

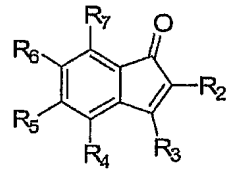
1-benzyl amino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester, and

1-cyclohexyl amino-6-methoxy-3-phenyl-1H-indene-2-carboxylic acid ethyl ester.

5. A process for preparing a compound of formula (I-a) which comprises reacting a compound of formula (II) with a Grignard reagent:



(I-a)

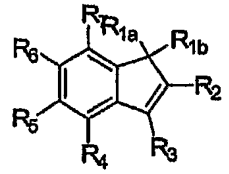


(II)

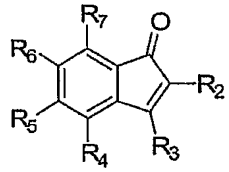
wherein $R_{1a}$ is OH; $R_{1b}$ is alkyl, phenyl or benzyl; and $R_2$, $R_3$, $R_4$, $R_5$, $R_6$ and $R_7$ have

the same meaning as defined in claim 1.

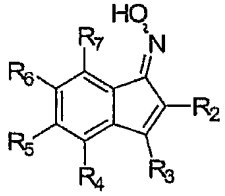
6. A process for preparing a compound of formula (I-e) which comprises reacting a compound of formula (II) with hydroxyl amine to obtain a compound of formula (III), and hydrogenation of the compound of formula (III) followed by reacting with acetyl chloride or an anhydrous acetic acid:



(I-e)



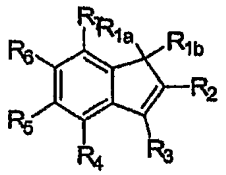
(II)



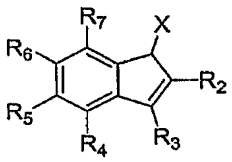
(III)

wherein $R_{1a}$ is H; $R_{1b}$ is $NH_2$ or $NHCOR^a$; and $R_2$, $R_3$, $R_4$, $R_5$, $R_6$ and $R_7$ have the same meaning as defined in claim 1.

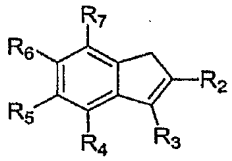
7. A process for preparing a compound of formula (I-d) which comprises halogenation of a compound of formula (VIII) to obtain a compound of formula (IV), and reacting the compound of formula (IV) with an amine or alcohol compound:



(I-d)



(IV)



(VIII)

wherein $R_{1a}$ is H; $R_{1b}$ is $OR^a$, $NR^bR^c$ or  ; X is halogen; and $R_2$, $R_3$, $R_4$, $R_5$, $R_6$ and $R_7$ have the same meaning as defined in claim 1.

8. A pharmaceutical composition for modulating the activities of peroxisome proliferator activated receptors (PPARs) comprising a therapeutically effective amount of the compound or a salt defined in claim 1 as an active ingredient together with a pharmaceutically acceptable carrier.

9. The composition of claim 8, which is used for the treatment and prevention of diabetes, obesity, arteriosclerosis, hyperlipidemia, hyperinsulinism, hypertension, osteoporosis, liver cirrhosis, asthma and cancer.